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ANNUAL REPORT 1971

Windsor Raceway Holdings Limited





**Windsor Raceway Holdings
LIMITED**

**INTERIM REPORT
TO SHAREHOLDERS**

**WINDSOR RACEWAY HOLDINGS
LIMITED**

P.O. Box 998

Windsor 14, Ontario

Telephones: (519) 969-8311 Windsor
(313) 961-9545 Detroit

Six months ended June 30, 1971

WINDSOR RACEWAY HOLDINGS LIMITED

INTERIM REPORT TO SHAREHOLDERS

We are pleased to submit unaudited statements of income and source and application of funds for the six months ended June 30, 1971. These statements cover the Winter Standardbred Meet from January to March and the abbreviated Thoroughbred Meet held in May and June. Results of operations for the 1970 Fall Standardbred Meet were reported separately in your last financial report following the change in year end from September 30 to December 31.

The six months figures show a decrease in net income which is directly attributable to the Thoroughbred meet. Poor attendance and pari-mutuel wagering forced your directors to close down the meet after 17 days of the scheduled 46 day season. The low revenues and high expenses created a loss on Thoroughbred operations in excess of \$600,000.

The Winter Standardbred meeting, while not matching the record year in 1970, was quite successful and we are looking forward to another successful standardbred meeting this fall. Racing will begin on October 31 and run through December 31.

The following are the directors and officers of the company:

Director and Chairman of the Board	Aimé Des Rosiers
Director and President	William Rowe
Director and Secretary	Ronald C. Brown
Other Directors—Ernest G. Ayers, Donald Coyle, J. Louis Lévesque, Pierre Mercier, Hon. W. Earl Rowe and Robert M. Sutherland.	

On behalf of the Board of Directors

AIMÉ DES ROSIERS
Chairman of the Board

WILLIAM ROWE
President.

Windsor
August 27, 1971

WINDSOR RACEWAY HOLDINGS LIMITED

STATEMENT OF INCOME

(not audited) six months ended June 30, 1971

REVENUE	
Pari-mutuel commissions.....	\$3,409,258
Admissions, Parking, Programs and Restaurant.....	1,731,619
Interest and Other Income.....	95,976
	5,236,853
EXPENSES	
Purses.....	1,615,334
Salaries and Wages.....	1,346,549
Other Operating Expenses.....	1,146,284
General and Administrative.....	456,962
Depreciation.....	257,330
Amortization.....	20,069
	4,842,528
INCOME BEFORE INCOME TAXES.....	
	394,325
INCOME TAXES.....	197,700
NET INCOME FOR PERIOD.....	\$ 196,625

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

(not audited) six months ended June 30, 1971

SOURCE OF FUNDS	
OPERATIONS	
Net Income for Period.....	\$ 196,625
Add Items not requiring an outlay of funds	
Depreciation.....	257,330
Amortization.....	20,069
	474,024
APPLICATION OF FUNDS	
Fixed Asset Additions (net).....	639,790
Increase in Investment in Subsidiaries....	2,739
Deferred Tax Provision.....	1,000
Dividends.....	105,000
	748,529
Decrease in working capital for period	\$ 274,505

NOTE 1. Due to the change of fiscal year from September 30 to December 31, comparative figures for the six months ended June 30, 1970 are not available.

NOTE 2. The company has changed its basis of recording depreciation and amortization from the number of racing days to calendar days.



WINDSOR RACEWAY HOLDINGS LIMITED

Box 998, Windsor, Ontario

directors:	ERNEST G. AYERS RONALD C. BROWN DONALD COYLE AIMÉ DES ROSIERS J. -LOUIS LÉVESQUE PIERRE MERCIER HON. W. EARL ROWE WILLIAM ROWE ROBERT M. SUTHERLAND	Montreal, Quebec Toronto, Ontario Ridgewood, New Jersey Chateauguay, Quebec Montreal, Quebec Montreal, Quebec Bradford, Ontario Bradford, Ontario Toronto, Ontario
officers:	AIMÉ DES ROSIERS WILLIAM ROWE RONALD C. BROWN THOMAS LACHINE	Chairman of the Board President Secretary Controller
solicitors:	BLAKE, CASSELS & GRAYDON McTAGUE, CLARK, HOLLAND, WHITESIDE, COUGHLIN, OUELLETTE & MAILLOUX	Toronto, Ontario Windsor, Ontario
auditors:	CLARKSON, GORDON & CO.	Windsor, Ontario
transfer agents:	GUARANTY TRUST COMPANY OF CANADA NATIONAL BANK OF DETROIT	Toronto, Ontario Detroit, Michigan

REPORT TO THE SHAREHOLDERS

I am pleased to present, on behalf of your Directors, the annual report of your Company along with the financial statements and report of the Auditors for the year ended December 31st, 1971.

The statement of income for the year ended December 31st, 1971, reflects a decrease in net income of \$572,895. This decrease is directly attributable to three factors; the unsuccessful Summer Thoroughbred Meet which your Directors closed down after seventeen (17) days of the scheduled forty-six (46) day season; the loss of foreign exchange income as a result of the floating Canadian dollar; and the increase in Michigan's racing which now extends throughout the full calendar year.

The 1971 Winter and Fall Meetings, while not matching the record year 1970, were quite successful and show an upward trend against competition. The Winter 1972 Meeting which finished on March 19 also reflected a continuance in the upward trend against competition.

We are pleased to announce that a thirty-six (36) program Summer Standardbred Meet will be introduced at Windsor Raceway commencing June 18th, 1972 and extending through July 30th, 1972. This Summer Meeting will make effective use of substantially all the capital renovations which were built in 1971 to accommodate the Summer Thoroughbred Meet.

We express our thanks to all those who, in their various capacities, enabled your Company to maintain a successful and competitive position in the racing industry.

On behalf of the Board of Directors

Aimé Des Rosiers
Chairman

April 14, 1972

WINDSOR RACEWAY HOLDINGS LIMITED



CUP RECORD MILE - Isle of Wight (center) streaks across the finish line with world champion driver Herve Filion in the sulky to defeat Albatross (right), the 1971 Harness Horse of the Year, driven by Stanley Dancer, in the seventh annual Provincial Cup in 1:59 4/5. It was a Cup record and only 1/5 of a second off the track standard. Royal Count N, driven by Allan Cantor, finished third as an all-time record crowd of 12,057 looked on.

HARNESS MEET STATISTICS

	FISCAL YEAR ENDED DECEMBER 31	TWELVE MONTHS ENDED DECEMBER 31	FISCAL YEAR ENDED SEPTEMBER 30		
	<u>1971</u>	<u>1970</u>	<u>1970</u>	<u>1969</u>	<u>1968</u>
Number of racing programs	145	161	163	160	158
Total attendance	664,018	761,647	836,293	756,433	695,944
Average daily attendance	4,579	4,731	5,131	4,728	4,405
Total pari-mutuel wagering	48,893,242	56,042,863	61,149,564	53,665,732	49,028,646
Average pari-mutuel wagering	337,195	348,092	375,151	335,411	310,308
Average of wagers per capita	73.63	73.58	73.11	70.94	70.44

WINDSOR RACEWAY HOLDINGS LIMITED

(Incorporated under the laws of Ontario)

BALANCE SHEET – DECEMBER 31, 1971

(with comparative figures at December 31, 1970)

ASSETS

	<u>1971</u>	<u>1970</u>
CURRENT ASSETS		
Cash - - - - -	\$ 898,158	\$1,103,198
Deposit certificates - - - - -	300,000	
Marketable securities - - - - -		529,650
Accounts receivable - - - - -	141,863	241,399
Inventories, at lower of cost and replacement cost - - - - -	74,274	64,600
Prepaid expenses - - - - -	240,695	59,816
Income taxes recoverable (note 1) - - - - -	218,755	244,042
Total current assets - - - - -	<u>1,873,745</u>	<u>2,242,705</u>
INVESTMENT IN SUBSIDIARY COMPANIES (note 2)		
Shares, at cost - - - - -	154,591	154,591
Advances - - - - -	27,118	25,399
	<u>181,709</u>	<u>179,990</u>
FIXED ASSETS, at cost		
Buildings and equipment - - - - -	7,181,332	6,317,017
Racing strip - - - - -	920,491	920,491
Landscaping, parking lot and access roads - - - - -	764,340	796,464
	8,866,163	8,033,972
Less accumulated depreciation - - - - -	2,878,994	2,353,424
	5,987,169	5,680,548
Land - - - - -	358,268	358,268
	<u>6,345,437</u>	<u>6,038,816</u>
DEFERRED EXPENDITURES, at unamortized cost (note 3) - - - - -	101,485	141,618
	<u>\$8,502,376</u>	<u>\$8,603,129</u>

Approved by the Board:

AIMÉ DES ROSIERS, Director

WILLIAM ROWE, Director

LIABILITIES AND SHAREHOLDERS' EQUITY

	<u>1971</u>	<u>1970</u>
CURRENT LIABILITIES		
Accounts payable and accrued liabilities - - - - -	\$ 809,757	\$ 295,022
Construction contracts payable - - - - -		133,231
Income and other taxes payable - - - - -	5,246	275,521
Dividends payable - - - - -		53,353
Current portion of deferred income taxes - - - - -	<u>39,000</u>	<u>27,000</u>
Total current liabilities - - - - -	854,003	784,127
 DEFERRED INCOME TAXES - - - - -	 <u>1,712,000</u>	 <u>1,857,000</u>
 Total liabilities - - - - -	 <u>2,566,003</u>	 <u>2,641,127</u>
 SHAREHOLDERS' EQUITY		
CAPITAL STOCK (note 4)		
Class A		
Authorized and issued — 350,000 shares of U.S. \$9 par value each - - - -	3,382,369	3,382,369
Class B		
Authorized and issued — 350,000 shares of U.S. \$1 par value each - - - -	375,818	375,818
Common		
Authorized — 500,000 shares without par value		
Issued — 400,000 shares - - - - -	<u>775,988</u>	<u>775,988</u>
	4,534,175	4,534,175
RETAINED EARNINGS - - - - -	<u>1,402,198</u>	<u>1,427,827</u>
	<u>5,936,373</u>	<u>5,962,002</u>
	<u>\$8,502,376</u>	<u>\$8,603,129</u>

(see accompanying notes to financial statements)

AUDITORS' REPORT

TO THE SHAREHOLDERS OF
WINDSOR RACEWAY HOLDINGS LIMITED:

We have examined the balance sheet of Windsor Raceway Holdings Limited as at December 31, 1971 and the statements of income, retained earnings and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at December 31, 1971 and the results of its operations and the source and application of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Windsor, Ontario,
January 27, 1972.

CLARKSON, GORDON & CO.
Chartered Accountants

WINDSOR RACEWAY HOLDINGS LIMITED

STATEMENT OF INCOME

Year ended December 31, 1971

(with comparative figures for the year ended December 31, 1970)

	<u>1971</u>	<u>1970</u>
REVENUE		
Pari-mutuel commissions - - - - -	\$5,030,857	\$5,612,939
Admissions, parking, programs and concessions - - - - -	2,361,258	2,628,783
Exchange, interest and other income - - - - -	162,231	632,191
	<u>7,554,346</u>	<u>8,873,913</u>
EXPENSES		
Purses - - - - -	2,085,902	2,379,012
Salaries and wages - - - - -	1,832,128	1,736,814
Other operating expenses - - - - -	1,814,383	1,792,671
General and administrative - - - - -	348,700	590,562
Depreciation - - - - -	440,030	487,306
Amortization of deferred expenditures - - - - -	40,133	121,260
	<u>6,561,276</u>	<u>7,107,625</u>
INCOME BEFORE LOSS ON THOROUGHBRED MEET AND INCOME TAXES - - -	993,070	1,766,288
INCOME TAXES - - - - -	487,000	1,006,397
NET INCOME BEFORE LOSS ON THOROUGHBRED MEET	506,070	759,891
LOSS ON THOROUGHBRED MEET - - - - -	651,074	
LESS RESULTANT INCOME TAX REDUCTION - - - - -	332,000	
	<u>319,074</u>	
NET INCOME FOR YEAR - - - - -	<u>\$ 186,996</u>	<u>\$ 759,891</u>
EARNINGS (LOSS) PER SHARE		
Class A - - - - -	<u>\$.59</u>	<u>\$ 1.11</u>
Class B - - - - -	<u>(\$.02)</u>	<u>\$.48</u>
Common - - - - -	<u>(\$.02)</u>	<u>\$.48</u>

(see accompanying notes to financial statements)

STATEMENT OF RETAINED EARNINGS

Year ended December 31, 1971

(with comparative figures for the year ended December 31, 1970)

	<u>1971</u>	<u>1970</u>
Retained earnings, beginning of year - - - - -	\$1,427,827	\$1,220,911
Add net income for year - - - - -	186,996	759,891
	<u>1,614,823</u>	<u>1,980,802</u>
Dividends declared		
Class A shares — U.S. \$.60 per share (U.S. \$.90 in 1970) - - - - -	212,625	324,319
Class B shares — Nil (U.S. \$.30 in 1970) - - - - -		106,706
Common shares — Nil (U.S. \$.30 in 1970) - - - - -		121,950
	<u>212,625</u>	<u>552,975</u>
Retained earnings, end of year - - - - -	<u>\$1,402,198</u>	<u>\$1,427,827</u>

(see accompanying notes to financial statements)

WINDSOR RACEWAY HOLDINGS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Year ended December 31, 1971

(with comparative figures for the year ended December 31, 1970)

	<u>1971</u>	<u>1970</u>
SOURCE OF FUNDS		
Operations		
Net income for year - - - - -	\$ 186,996	\$ 759,891
Add items not involving a current outlay of funds		
Depreciation - - - - -	525,740	487,306
Amortization - - - - -	40,133	121,260
Deferred income taxes - - - - -	(145,000)	226,397
Write-off of land purchase option - - - - -	7,000	7,000
	<u>607,869</u>	<u>1,601,854</u>
APPLICATION OF FUNDS		
Decrease in investment in subsidiary companies - - - - -	1,719	(749)
Fixed asset additions (net) - - - - -	832,361	693,286
Dividends - - - - -	212,625	552,975
	<u>1,046,705</u>	<u>1,245,512</u>
INCREASE (DECREASE) IN WORKING CAPITAL - - - - -	(\$ 438,836)	\$ 356,342

(see accompanying notes to financial statements)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1971

1. INCOME TAXES RECOVERABLE

During 1970 the company paid amounts re-assessed for income taxes and interest for the fiscal years 1966 to 1969 inclusive in the amount of \$244,042. The assessments arose from a difference of opinion between the company and the Minister of National Revenue as to the classification of assets for capital cost allowance purposes. The company filed notices of objection to these assessments and during 1971 \$25,287 of the amount was recovered. Should the company be successful the remaining amount of \$218,755 will be recoverable. Should it not be successful the amount will be applied against "Deferred income taxes" as the liability has already been reflected in the accounts and the only matter in dispute is whether the taxes are payable currently or in future years.

2. SUBSIDIARY COMPANIES

The company owns from 55% to 100% of the issued and outstanding shares of capital stock of its subsidiary companies which are entitled by law to conduct harness race meetings at which betting or wagering is permitted. Inasmuch as diligent enquiry and search have failed to locate substantially all of the remaining outstanding shares of these subsidiary companies, the company's management is of the opinion that the company's holdings represent complete or substantially complete control of each company.

Consolidated financial statements have not been prepared as the known assets and liabilities of the subsidiary companies are not material in relation to those of the company and the operations of the subsidiary companies are limited in scope. If consolidated financial statements had been prepared, all or substantially all of the amount of \$154,591 appearing in the balance sheet as shares in subsidiary companies would be reflected in the consolidated balance sheet as excess of cost of shares in subsidiary companies over equity in underlying assets.

The company's proportion of the aggregate profits of the subsidiary companies for the year ended December 31, 1971 and the company's proportion of the aggregate undistributed profits earned since acquisition of control are not material in amount and have not been taken into the company's accounts.

3. DEFERRED EXPENDITURES

The unamortized deferred expenditures consist of the following:

	1971	1970
Pre-operating costs	\$ 89,830	\$114,422
Cost of arranging mortgage loans	<u>11,655</u>	<u>27,196</u>
	<u>\$101,485</u>	<u>\$141,618</u>

The company is amortizing pre-operating costs over a period of ten years and the cost of arranging mortgage loans over a period of seven years.

4. PROVISIONS RELATING TO CAPITAL STOCK

Class A shares

The Class A shares are entitled to a cumulative, preferential cash dividend of U.S. 60¢ per share per year payable quarterly, and to participate equally, share for share, with the Class B and common shares in any other dividends declared during any fiscal year until all of the Class B shares have been redeemed. After all of the Class B shares have been redeemed, the Class A shares are entitled to a cumulative preferential cash dividend of U.S. 60¢ per share per year, payable quarterly, and, after payment of a non-cumulative dividend of U.S. 20¢ per share to the holders of common shares, to participate equally, share for share, with the common shares in any other dividends that may be declared during the year.

Class B shares

The company may redeem all of the Class B shares at U.S. \$1 per share at any time after dividends aggregating U.S. \$3,150,000 shall have been paid on the Class A and Class B shares. (Dividends aggregating U.S. \$2,030,000 have been paid - U.S. \$1,750,000 on the Class A shares and U.S. \$280,000 on the Class B shares.

5. REMUNERATION OF DIRECTORS AND SENIOR OFFICERS

Remuneration of directors and senior officers (as defined in The Business Corporations Act, 1970) for the year ended December 31, 1971 amounted to \$142,728 (1970 - \$157,876).

6. CONVERSION OF FOREIGN CURRENCY

Current assets and liabilities in U.S. dollars have been converted to Canadian dollars at the approximate rate of exchange at December 31, 1971. Exchange on transactions during the year is recorded at the rate prevailing on the date of conversion.

WINDSOR RACEWAY HOLDINGS LIMITED
(incorporated under the laws of Ontario)

ANNUAL MEETING OF SHAREHOLDERS 1972

Take notice that the Annual Meeting of Shareholders of Windsor Raceway Holdings Limited will be held in the Campaign Room, Holiday Inn, Windsor, Canada, at 2:00 p.m. on Thursday, May 11, 1972, for the following purposes:

- (1) to receive the annual report of the directors and the financial statements for the year ended December 31, 1971;
- (2) to elect directors;
- (3) to appoint auditors and authorize the directors to fix their remuneration; and
- (4) to transact such other business as may properly be brought before the meeting.

Windsor, Ontario
April 14, 1972

By order of the Board,
R. C. BROWN
Secretary

We ask that you promptly sign, date and return the enclosed proxy in the self addressed envelope if it is not your intention to be present at the Meeting. If you are personally present at the Meeting, and desire to do so, you may withdraw your proxy and vote in person.

WINDSOR RACEWAY HOLDINGS LIMITED
INFORMATION CIRCULAR
as of March 24, 1972

Revocability of Proxy

A shareholder who has given a proxy may revoke it by executing either a proxy bearing a later date or a written notice of revocation and delivering the same to the Secretary of the Company.

Persons or Companies Making the Solicitation

This solicitation of proxies is made on behalf of the management of Windsor Raceway Holdings Limited (hereinafter called "the Company") for use at the Annual Meeting of the Shareholders of the Company to be held on May 11, 1972 (hereinafter called "the Meeting") and at every adjournment thereof. The cost of the solicitation will be borne by the Company.

Interest of Certain Persons in Matters to be Acted Upon

The management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise of any director or senior officer of the Company, any proposed nominee for election as a director of the Company or any associate of any such person in any matter to be acted upon at the Meeting other than the election of directors.

Voting Shares and Principal Holders Thereof

On March 24, 1972 there were outstanding 400,000 common shares and 350,000 Class A shares of the Company, all of which, together with any additional shares which may be issued by May 11, 1972, are entitled to be voted at the Meeting. Each holder of common shares is entitled to two votes for each share registered in his name at the date of the Meeting and each holder of Class A shares is entitled to one vote for each share registered in his name at the date of the Meeting. To the knowledge of the directors and senior officers of the Company the following persons beneficially own, directly or indirectly, equity shares carrying more than 10% of the voting rights attached to all equity shares of the Company

<u>Name</u>	<u>Approximate number of shares beneficially owned directly or indirectly</u>		<u>Percentage of outstanding equity shares</u>	
	Common	Class A	Common	Class A
F-I-C Fund Inc.	241,864	241,064	60.47%	68.87%
Albert Siegel	57,060	Nil	14.26%	Nil
Traders Group Limited	60,000	Nil	15.00%	Nil

Election of Directors

The Board consists of nine directors to be elected annually. The holders of Class A shares are entitled, voting separately and as a class, to elect a maximum minority of the board of directors of the Company (i.e. four out of nine directors). They are also entitled, along with the holders of common shares, to vote for the election of the remaining members of the board of directors (i.e. five directors). The following table sets out under the applicable headings the name of each of the persons proposed to be nominated for election as a director by the holders of Class A shares voting separately and by the holders of common and Class A shares voting together; his principal occupation at the date hereof; all positions and offices in the Company held by him; the year in which he was first elected a director; and the approximate number of equity shares of the Company that he has advised are beneficially owned by him, directly or indirectly, as of March 24, 1972. Except as set forth in the notes to the table, each of such persons is a director and each has served continuously in that capacity since his first election.

WINDSOR RACEWAY HOLDINGS LIMITED
(incorporated under the laws of Ontario)

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS 1971

Take notice that the Annual and Special Meeting of Shareholders of Windsor Raceway Holdings Limited will be held in the Trianon Room A, Holiday Inn, Windsor, Canada, at 2:00 p.m. on Tuesday, March 16, 1971, for the following purposes:

- (1) to receive the annual report of the directors and the financial statements for the year ended September 30, 1970 and for the three months ended December 31, 1970;
- (2) to consider and if thought fit to confirm, with or without variation, By-law No. 5, being a by-law relating generally to the transaction of the business and affairs of the Company;
- (3) to consider and if thought fit to confirm, with or without variation, By-law No. 6 being a by-law respecting the remuneration of directors;
- (4) to elect directors;
- (5) to appoint auditors and authorize the directors to fix their remuneration; and
- (6) to transact such other business as may properly be brought before the meeting.

By-laws Nos. 5 and 6 are described on page 4 of the attached Information Circular which is made part of this Notice. A copy of the By-laws will be made available to any shareholder at or prior to the meeting upon receipt of his request therefor.

Windsor, Ontario
February 19, 1971

By order of the Board,
R. C. BROWN
Secretary

We ask that you promptly sign, date and return the enclosed proxy in the self addressed envelope if it is not your intention to be present at the Meeting. If you are personally present at the Meeting, and desire to do so, you may withdraw your proxy and vote in person.

INFORMATION CIRCULAR

Revocability of Proxy

A shareholder who has given a proxy may revoke it by executing either a proxy bearing a later date or a written notice of revocation and delivering the same to the Secretary of the Company.

Persons or Companies Making the Solicitation

This solicitation of proxies is made on behalf of the management of Windsor Raceway Holdings Limited (hereinafter called "the Company") for use at the Annual and Special Meeting of the Shareholders of the Company to be held on March 16, 1971 (hereinafter called "the Meeting") and at every adjournment thereof. The cost of the solicitation will be borne by the Company.

Interest of Certain Persons and Companies in Matters to be Acted Upon

The management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise of any director or senior officer of the Company, any proposed nominee for election as a director of the Company or any associate of any such person in any matter to be acted upon at the Meeting other than the election of directors.

Voting Shares and Principal Holders Thereof

On January 31, 1971 there were outstanding 400,000 common shares and 350,000 Class A shares of the Company, all of which, together with any additional shares which may be issued by March 16, 1971, are entitled to be voted at the Meeting. Each holder of common shares is entitled to two votes for each share registered in his name at the date of the Meeting and each holder of Class A shares is entitled to one vote for each share registered in his name at the date of the Meeting. To the knowledge of the directors and senior officers of the Company the following persons beneficially own, directly or indirectly, equity shares carrying more than 10% of the voting rights attached to all equity shares of the Company:

Name	Approximate number of shares beneficially owned directly or indirectly		Percentage of outstanding equity shares	
	Common	Class A	Common	Class A
F-I-C Fund Inc.	225,000	241,064	56.25%	68.87%
Albert Siegel	117,060	Nil	29.26%	Nil

Election of Directors

The Board consists of nine directors to be elected annually. The holders of Class A shares are entitled, voting separately and as a class, to elect a maximum minority of the board of directors of the Company (i.e. four out of nine directors). They are also entitled, along with the holders of common shares, to vote for the election of the remaining members of the board of directors (i.e. five directors). The following table sets out under the applicable headings the name of each of the persons proposed to be nominated for election as a director by the holders of Class A shares voting separately and by the holders of common and Class A shares voting together; his principal occupation at the date hereof; all positions and offices in the Company held by him; the year in which he was first elected a director; and the approximate number of equity shares of the Company that he has advised are beneficially owned by him, directly or indirectly, as of January 31, 1971. Except as set forth in the notes to the table, each of such persons is a director and each has served continuously in that capacity since his first election.

Election by Holders of Class A Shares

Name	Principal Occupation	Director Since	Approximate Number of Equity Shares Owned as at January 31, 1971	
			Common	Class A
Ernest G. Ayers	Investment Dealer, Lévesque, Beaubien Inc. (investment dealer)	1970	—	—
Donald Coyle	President, International Communications Inc. (communications)	1969	—	—
J.-Louis Lévesque	President, F-I-C Fund Inc. (investment and holding company), Chairman of the Board, Lévesque, Beaubien Inc. (investment dealer)	1970	—*	—*
Robert M. Sutherland	Partner, Fasken & Calvin (barristers & solicitors)	1968	—	100

*Mr. Lévesque is a major shareholder, director and senior officer of F-I-C Fund Inc. which, as indicated above, holds equity shares of the Company.

Election by Holders of Common and Class A Shares

Name	Principal Occupation	Director Since	Approximate Number of Equity Shares Owned as at January 31, 1971	
			Common	Class A
Ronald C. Brown	Secretary of the Company and a partner, Blake, Cassels & Graydon (barristers & solicitors)	1970*	—	—
Aimé DesRosiers	Chairman of the Board of the Company**	1970	—	—
Pierre Mercier	Secretary, F-I-C Fund Inc. and lawyer	1970	—	—
The Honourable Earl Rowe	Farmer	1962***	3035	—
William Rowe	President of the Company	1963	1	—

*Mr. Brown has not been a director since May 7, 1970.

**Mr. DesRosiers joined the Company as executive vice-president in February 1970 and was elected Chairman of the Board on May 7, 1970. Prior to joining the Company he was counsel to Blue Bonnets Raceway Inc., Montreal.

***The Honourable Earl Rowe was not a director from February 1, 1963 to December 19, 1968.

Remuneration of Management and Others

The following information is furnished as to the remuneration of management and others:

Aggregate direct remuneration paid or payable by the Company and its subsidiaries to the directors and senior officers of the Company during

- (1) the financial year ended September 30, 1970—\$152,258
- (2) the three months ended December 31, 1970 — \$48,893

No pension benefits are payable to senior officers or directors except under the Canada Pension Plan.

Appointment of Auditors

The persons named in the enclosed form of proxy intend to vote for the re-appointment of Messrs. Clarkson, Gordon & Co., Chartered Accountants, at a remuneration to be fixed by the Board. Messrs. Clarkson, Gordon & Co. have been auditors of the Company since October 5, 1970.

Particulars of Matters to be Acted Upon

The Meeting has been called as a Special Meeting of Shareholders for the purpose of considering and if thought fit confirming with or without variation, By-laws Nos. 5 and 6 enacted by the Board on February 16, 1971.

By-law No. 5

By-law No. 5 relates generally to the transaction of the business and affairs of the Company. This By-law was enacted by the Board to conform with the requirements of The Business Corporations Act, 1970 (the "Act") which came into force in Ontario on January 1, 1971 and replaces the existing general and borrowing by-laws of the Company. The Act provides that the following provisions of By-law No. 5 shall not become effective until the same have been confirmed by at least two-thirds of the votes cast at the Meeting:

- (1) Section 2.01 changing the location of the head office from the City of Toronto to the City of Windsor (section 14 of the Act);
- (2) Section 2.08 authorizing the making of loans to shareholders and others (section 17 of the Act);
- (3) Section Three authorizing the borrowing of money, the issuing of debt obligations, the securing of liabilities and the delegation of directors' powers (section 53 of the Act);
- (4) Section 5.01 authorizing the election of an executive committee (section 133 of the Act);
- (5) Section 6.02 authorizing the election or appointment of a Chairman of the Board and prescribing his duties (section 142 of the Act); and
- (6) Section 8.02 authorizing the payment of commissions or the allowance of discounts on the sale of shares (section 45 of the Act).

All other provisions of By-law No. 5 are now in effect and may be confirmed by a majority of the votes cast at the Meeting.

By-law No. 6

By-law No. 6 relates to the remuneration of directors. It provides that each director of the Company shall be paid for his services as director (a) a fee of \$250 for each meeting of the Board and Executive Committee (if he is a member thereof) attended by him; and (b) reimbursement for his expenses in attending each meeting of the Board or the Executive Committee (if he is a member thereof). This by-law will not become effective unless confirmed by a majority of the votes cast at the Meeting.

General

The persons named in the enclosed form of proxy are directors and/or officers of the Company. **A shareholder has the right to appoint a person to represent him at the Meeting other than the persons designated in the enclosed form of proxy** and may do so either by inserting such person's name in the blank space provided in such form and deleting the names printed in such form or by completing another proper form or proxy and, in either case, delivering such proxy to the Secretary of the Company.

Shares represented by properly executed proxies in favour of the persons designated in the enclosed form will be voted. **Such shares will be voted for the election as directors of the persons designated in this Information Circular as nominees for such office.** The management of the Company does not contemplate that any of the proposed nominees will be unable to serve as a director but, in the event that a proposed nominee does not stand for election or is unable to serve, proxies may be voted for another nominee designated by the Board of Directors. Where the shareholder executing such proxy specifies a choice with respect to any matter to be acted upon at the Meeting, other than the election of directors and the appointment of auditors, such shares will be voted in accordance with any specification so made. In the absence of such specification, **such shares will be voted for the confirmation of By-laws Nos. 5 and 6.** The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and other matters which may properly come before the Meeting. At the date of this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting; however, if any of the same should be presented the proxies will be voted thereon in accordance with the best judgment of the persons voting the proxies.

As of January 31, 1971

WINDSOR RACEWAY HOLDINGS LIMITED.

Election by Holders of Class A Shares

Name	Principal Occupation	Director Since	Approximate Number of Equity Shares Owned as at March 24, 1972	
			Common	Class A
Ernest G. Ayers	President Ayers Limited (textile manufacturer)	1970	—	—
Donald W. Coyle	President, Intercontinental Communications Inc. (communications)	1969	—	—
J-Louis Lévesque	President, F-I-C Fund Inc. (investment and holding company), Chairman of the Board, Lévesque, Beaubien Inc. (investment dealer)	1970	—*	—*
Robert M. Sutherland	Partner, Fasken & Calvin (barristers & solicitors)	1968	—	100

*Mr. Lévesque is a major shareholder, director and senior officer of F-I-C Fund Inc. which, as indicated above, holds equity shares of the Company.

Election by Holders of Common and Class A Shares

Name	Principal Occupation	Director Since	Approximate Number of Equity Shares Owned as at March 24, 1972	
			Common	Class A
Ronald C. Brown	Secretary of the Company and a partner, Blake, Cassels & Graydon (barristers & solicitors)	1970*	—	100
Aimé DesRosiers	Chairman of the Board of the Company	1970	—	100
Pierre Mercier	Secretary, F-I-C Fund Inc. and lawyer	1970	—	—
The Honourable Earl Rowe	Farmer	1962**	3035	—
William Rowe	President of the Company	1963	1	—

*Mr. Brown was not a director from May 7, 1970 to March 16, 1971.

**The Honourable Earl Rowe was not a director from February 1, 1963 to December 19, 1968.

Remuneration of Management and Others

The following information is furnished as to the remuneration of management and others:

Aggregate direct remuneration paid or payable by the Company and its subsidiaries to the directors and senior officers of the Company during the financial year ended December 31, 1971—\$142,728.

No pension benefits are payable to senior officers or directors except under the Canada Pension Plan.

Appointment of Auditors

The persons named in the enclosed form of proxy intend to vote for the re-appointment of Messrs. Clarkson, Gordon & Co., Chartered Accountants, at a remuneration to be fixed by the Board. Messrs. Clarkson, Gordon & Co. have been auditors of the Company since October 5, 1970.

General

The persons named in the enclosed form of proxy are directors and officers of the Company. **A shareholder has the right to appoint a person to represent him at the Meeting other than the persons designated in the enclosed form of proxy** and may do so either by inserting such person's name in the blank space provided in such form and deleting the names printed in such form or by completing another proper form of proxy and, in either case, delivering such proxy to the Secretary of the Company. A proxy need not be a shareholder.

Shares represented by properly executed proxies in favour of the persons designated in the enclosed form will be voted. **Such shares will be voted for the election as directors of the persons designated in this Information Circular as nominees for such office.** The management of the Company does not contemplate that any of the proposed nominees will be unable to serve as a director but, in the event that a proposed nominee does not stand for election or is unable to serve, proxies may be voted for another nominee designated by the Board of Directors.



Windsor Raceway Holdings Limited

Subsidiary Companies

ABERDEEN TROTTERING AND PACING LIMITED • THE ALMONTE DRIVING PARK ASSOCIATION LIMITED
 • THE AMHERSTBURG DRIVING PARK ASSOCIATION LIMITED • THE CLINTON DRIVING PARK
 ASSOCIATION LIMITED • COLUMBIA COUNTRY CLUB, LIMITED • THE DESERONTO DRIVING PARK
 ASSOCIATION LIMITED • GEORGIAN TURF CLUB LIMITED • THE PICTON DRIVING PARK ASSOCIATION
 LIMITED • THE PRESTON DRIVING PARK ASSOCIATION LIMITED • SOUTHERN COUNTY HUNT CLUB
 LIMITED • THE STRATFORD ATHLETIC COMPANY LIMITED • UNDERMOUNT TROTTERING CLUB LIMITED
 THE VANCOUVER JOCKEY CLUB, LIMITED LIABILITY